

## FORGAN HAS EASY TIME—FINE PHOTOGRAPHER

James B. Forgan, First National bank head, was passed to the Lorimer defense today for cross-examination. It was predicted the Lorimer lawyers would pound and grill Forgan. But there was nothing doing along this line. Forgan had an easy and happy time of it as a witness.

A Journal photographer took flashlight picture of Chicago's foremost banker. Judge Dever ordered the arrest of the photographer, Charles Reed, and gave him till tomorrow morning to pay a \$25 fine for contempt of court. Arthur James Pegler of the Journal staff addressed the court with the argument that it's the first time he's ever heard of a newspaper photographer being interfered with for taking pictures in a courtroom. It's a "universal custom" to let the photographers take anything they want, Pegler argued.

"Newspapers do not have special privileges to take flashlight photographs in a court," said Judge Dever.

Gunmen, pickpockets and bank robbers have been photographed in criminal court this year.

Only once did Forgan hesitate on the stand. That was when Att'y Fink asked if he would order brought into court the minutes of the clearing house committee for sessions when the Lorimer bank matter was up. Forgan's face, sunny and ruddy from golfing in Florida, turned a deep shade of brick dust color. Then he thought a minute, rubbing his chin, ending with "Yes, I'll order them sent over."

Banks are like dairies, in Forgan's view. They have a business in cream, sweet milk, skim milk, sour milk and sediment. The Lorimer bank had too much skim milk business, he stated.

"It was stated in newspapers in January that your own bank, the First National, was caught with some Root irrigation bonds, on which you

could not realize—was that correct?" asked Fink.

Forgan explained they were caught. But the bank has a surplus and an "undivided profits" account to which such losses are charged off.

Att'y Fink's manner toward the great banker was more than respectful. It was deferential to an extreme. Nobody would have guessed that Forgan is named by Lorimer as the one man Lorimer considers most responsible for the La Salle bank crash.

Forgan shook hands warmly and smiled looking into Lorimer's face yesterday just before testifying. The jury and everybody else looked at it like a scene in a movie. When the trial opened Lorimer's lawyer, Albert Fink, said when Lorimer got smashed in the banking game, more than anybody else Forgan was to blame.

As one of the five men who run the clearing house and control Chicago banks, Forgan was in position to spread dangerous stories in the business world and give out stories to newspapers, all this helping to bust the bank, Fink alleged.

Forgan testified his feeling for Lorimer "always was friendly." He refused to let the Lorimer bank into the clearing house because examination showed it "unsound," he stated.

"Mr. Lorimer came to me for advice," said Forgan. "I told him he had better wind up his bank while he could pay the depositors, that his capital was impaired and the public ought to know it. He said he could not afford to have it known."

"He asked me how he could liquidate and I told him we could probably get five members of the clearing house to put up the money to pay the depositors and attend to the liquidation. He seemed impressed with the idea. He came to me later and said he never had failed in anything he had undertaken and would not fail in the banking business. He said he would run without clearing house privileges."